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JOINT ECONOMIC COMMITTEE

VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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ECONOMIC GAINS CONTINUE WHILE INFLATION REMAINS TAME

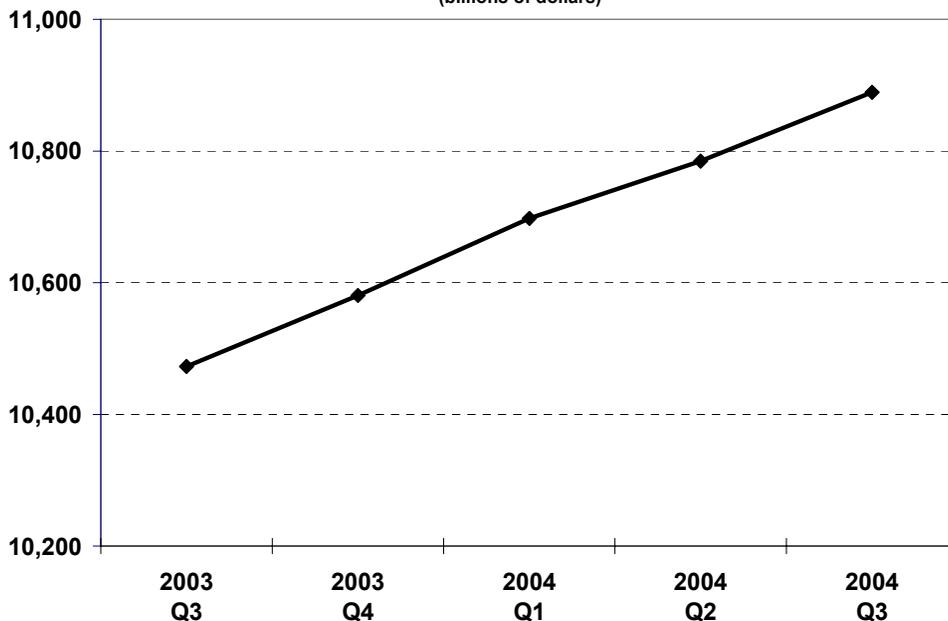
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WASHINGTON, D.C. – The latest economic statistics show continued strength while inflation remains under control, Vice Chairman Jim Saxton said today. Saxton was reacting to positive data on economic growth, manufacturing activity, personal income, consumer spending, and inflation.

The upward revision of GDP growth to a level of 3.9 percent in the third quarter, announced yesterday, reflects a strong and balanced pattern of economic expansion. The Institute for Supply Management (ISM) index of manufacturing activity for November, released today, indicates continued growth in manufacturing. Personal income and consumption data released today for the month of October were also positive. The core personal consumption expenditure deflator – an important indicator of inflationary pressures – remains well contained.

“The standard measures of economic health released recently show good economic growth without significant inflation,” Saxton said. “Although some have evoked the Great Depression over the last year in the discussion of current economic trends, the facts continue to demonstrate that the economy is actually expanding at a healthy pace. Overall economic conditions remain favorable and are expected to continue through the next year,” Saxton concluded.

U.S. Economic Expansion Continues Real Gross Domestic Product (billions of dollars)



Source: Bureau of Economic Analysis / Haver Analytics

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